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Bureau of the Census
For Data - (301) 457-4673
For Questions - Frances Porter or Lee Wentela
(301) 457-4804 or (301) 457-4832
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ADVANCE REPORT ON DURABLE GOODS MANUFACTURERS' SHIPMENTS AND ORDERS July 1999

(All figures in text below are in seasonally adjusted current dollars)

NEW ORDERS New orders for manufactured durable goods in July increased \$6.5 billion or 3.3 percent to \$204.0 billion, the Department of Commerce, Bureau of the Census reported today. This follows a 0.5 percent June increase and is the eleventh increase in the last fourteen months. Excluding transportation, new orders increased 3.7 percent. Year-to-date, new orders are 6.7 percent above the same period a year ago.

Industrial machinery and equipment had the largest increase, \$3.0 billion or 8.4 percent to \$39.3 billion. This follows a 3.9 percent June decrease and is the largest increase since January 1995. Electronic and other electrical equipment increased \$2.1 billion or 5.9 percent to \$37.3 billion, following a 3.5 percent June increase. This is the fourth increase in the last five months and is mostly due to electronic components. Transportation equipment increased \$0.9 billion or 2.0 percent to \$47.2 billion, following a 1.1 percent June increase. Primary metals, up four consecutive months, increased \$0.4 billion or 2.4 percent to \$15.6 billion, following a 2.7 percent June increase.

SHIPMENTS Shipments of durable goods in July increased \$1.4 billion or 0.7 percent to \$202.3 billion, following a 0.7 percent June increase. This is the twelfth increase in the last fourteen months. Year-to-date, shipments are 6.2 percent above the same period a year ago.

Industrial machinery and equipment had the largest increase, \$1.3 billion or 3.6 percent to \$38.5 billion. This follows a 0.9 percent June decrease and is the fifth increase in the last six months. Electronic and other electrical equipment, up eleven of the last fourteen months, increased \$1.2 billion or 3.5 percent to \$35.5 billion. This follows a 1.3 percent June increase. Primary metals, up three consecutive months, increased \$0.2 billion or 1.1 percent to \$14.9 billion, following a 1.1 percent June increase. Transportation equipment decreased \$1.4 billion or 2.7 percent to \$48.4 billion, following a 1.8 percent June increase; led by motor vehicles and parts, all components decreased except shipbuilding and tanks.

UNFILLED ORDERS Unfilled orders for durable goods in July increased \$1.7 billion or 0.4 percent to \$496.2 billion, following a 0.7 percent June decrease. This is the first increase since March. Electronic and other electrical equipment, up eight consecutive months, had the largest increase, \$1.9 billion or 2.8 percent to \$68.0 billion. This follows a 1.5 percent June increase. Industrial machinery and equipment, up seven of the last eight months, increased \$0.8 billion or 1.0 percent to \$79.0 billion. This follows a 1.1 percent June decrease. Primary metals, up six consecutive months, increased \$0.7 billion or 2.4 percent to \$31.4 billion. This follows a 1.8 percent June increase. Notwithstanding these increases, transportation equipment, down thirteen of the last fifteen months, decreased \$1.2 billion or 0.5 percent to \$230.5 billion.

CAPITAL GOODS INDUSTRIES, DEFENSE New orders in July increased \$1.4 billion or 27.8 percent to \$6.7 billion, following a 13.5 percent June decrease. Shipments increased \$0.4 billion or 6.0 percent to \$6.7 billion, following a 5.9 percent June decrease. Unfilled orders increased slightly to \$93.9 billion, following a 1.1 percent June decrease. This is the first increase since March.

CAPITAL GOODS INDUSTRIES, NONDEFENSE New orders in July increased \$3.7 billion or 7.3 percent to \$54.5 billion, following a 4.2 percent June decrease. Shipments, up four of the last five months, increased \$0.9 billion or 1.7 percent to \$55.3 billion. This follows a 2.1 percent June decrease. Unfilled orders, down for the fifth consecutive month, decreased \$0.8 billion or 0.3 percent to \$251.7 billion. This follows a 1.4 percent June decrease. Excluding aircraft and parts, new orders increased \$3.7 billion or 8.4 percent to \$48.1 billion; shipments, up four of the last five months, increased \$1.6 billion or 3.5 percent to \$48.0 billion; and unfilled orders increased \$0.1 billion or 0.1 percent to \$110.0 billion.

REVISED JUNE DATA Revised seasonally adjusted June figures for all manufacturing industries are: shipments, \$354.1 billion (revised from \$354.3 billion); new orders, \$351.1 billion (revised from \$350.7 billion); unfilled orders, \$518.6 billion (revised from \$518.1 billion); and total inventories, \$463.1 billion (revised from \$463.3 billion).

Our internet site address is: <http://www.census.gov/indicator/www/m3>

Table 1. DURABLE GOODS MANUFACTURERS' SHIPMENTS AND ORDERS
(Millions of dollars)

Item	Seasonally adjusted						Not seasonally adjusted ¹			
	Monthly			Percent Change			Monthly			Percent change July99/98
	July 1999 ²	June 1999 ²	May 1999	June- July ²	May- June ²	Apr.- May	July 1999 ²	June 1999 ²	July 1998	
DURABLE GOODS										
Total :										
Shipments	202,304	200,872	199,425	+0.7	+0.7	+1.1	171,008	219,256	158,992	+7.6
New orders	204,037	197,503	196,609	+3.3	+0.5	+1.0	178,960	209,876	162,637	+10.0
Unfilled orders	496,158	494,425	497,794	+0.4	-0.7	-0.6	498,696	490,744	505,568	-1.4
Excluding defense :										
Shipments	195,652	194,594	192,756	+0.5	+1.0	+1.1	165,191	212,523	153,301	+7.8
New orders	197,383	192,298	190,590	+2.6	+0.9	+0.5	173,817	204,966	158,718	+9.5
Unfilled orders	402,254	400,523	402,819	+0.4	-0.6	-0.5	404,984	396,358	407,674	-0.7
With unfilled orders :										
Shipments	165,673	163,714	164,045	+1.2	-0.2	+1.0	144,107	180,279	135,900	+6.0
New orders	167,406	160,345	161,229	+4.4	-0.5	+0.9	152,059	170,899	139,545	+9.0
Primary metals :										
Shipments	14,851	14,685	14,526	+1.1	+1.1	+2.1	13,560	15,501	13,580	-0.1
New orders	15,582	15,215	14,811	+2.4	+2.7	+0.3	14,368	15,295	12,753	+12.7
Unfilled orders	31,401	30,670	30,140	+2.4	+1.8	+1.0	31,491	30,683	32,088	-1.9
Industrial machinery and equipment:										
Shipments	38,520	37,193	37,519	+3.6	-0.9	+0.1	33,295	44,080	32,255	+3.2
New orders	39,330	36,288	37,780	+8.4	-3.9	-4.5	34,402	42,225	32,179	+6.9
Unfilled orders	79,014	78,204	79,109	+1.0	-1.1	+0.3	78,474	77,367	71,891	+9.2
Electronic and other electrical equipment :										
Shipments	35,476	34,267	33,836	+3.5	+1.3	+0.5	31,024	37,359	27,019	+14.8
New orders	37,339	35,261	34,067	+5.9	+3.5	-0.9	38,210	35,520	32,182	+18.7
Unfilled orders	68,040	66,177	65,183	+2.8	+1.5	+0.4	70,313	63,127	60,454	+16.3
Transportation equipment :										
Shipments	48,429	49,780	48,891	-2.7	+1.8	+2.4	32,732	52,131	28,518	+14.8
New orders	47,187	46,241	45,728	+2.0	+1.1	+9.9	31,374	47,837	27,428	+14.4
Unfilled orders	230,492	231,734	235,273	-0.5	-1.5	-1.3	230,404	231,762	250,230	-7.9
CAPITAL GOODS INDUSTRIES³										
Total :										
Shipments	61,981	60,667	62,212	+2.2	-2.5	+1.6	53,776	70,293	49,996	+7.6
New orders	61,160	56,018	59,060	+9.2	-5.2	+2.6	52,563	63,967	47,751	+10.1
Unfilled orders	345,629	346,450	351,099	-0.2	-1.3	-0.9	345,074	346,287	359,731	-4.1
Nondefense :										
Shipments	55,329	54,389	55,543	+1.7	-2.1	+1.5	47,959	63,560	44,305	+8.2
New orders	54,506	50,813	53,041	+7.3	-4.2	+1.0	47,420	59,057	43,832	+8.2
Unfilled orders	251,725	252,548	256,124	-0.3	-1.4	-1.0	251,362	251,901	261,837	-4.0
Excluding aircraft and parts :										
Shipments	47,987	46,375	46,376	+3.5	0.0	+0.8	41,685	54,987	37,828	+10.2
New orders	48,120	44,404	46,057	+8.4	-3.6	-2.9	42,102	52,089	37,492	+12.3
Unfilled orders	109,988	109,855	111,826	+0.1	-1.8	-0.3	109,625	109,208	103,712	+5.7
Defense :										
Shipments	6,652	6,278	6,669	+6.0	-5.9	+2.2	5,817	6,733	5,691	+2.2
New orders	6,654	5,205	6,019	+27.8	-13.5	+19.0	5,143	4,910	3,919	+31.2
Unfilled orders	93,904	93,902	94,975	0.0	-1.1	-0.7	93,712	94,386	97,894	-4.3

(NA) Not available. * Revised.

¹ Shipments and new orders are the totals for the period and are adjusted for trading-day and calendar-month variations; unfilled orders are as of the end of the period and are not adjusted for trading-day or calendar-month variations.

² Based on advance sample. Estimates of manufacturers' shipments, inventories, and orders are subject to survey error and revision. One major component of survey error is nonsampling error, which includes errors of coverage, response and nonreporting. Since the survey panel is not a probability sample, estimates of sampling error cannot be calculated. Further details on survey design, methodology, and data limitations are contained in our most recent annual benchmark publication, Current Industrial Reports: M3-1(96), "Manufacturers' Shipments, Inventories, and Orders: 1987-1996."

³ The Capital Goods Industries include Nondefense : ordnance and accessories, steam engines and turbines, internal combustion engines, construction mining and material handling equipment, metalworking machinery, special industry machinery, general industrial machinery, computer and office equipment, refrigeration, heating and service industry machinery, electrical transmission and distribution equipment, electrical industrial apparatus, communication equipment, complete aircraft, missiles, and space vehicles, aircraft missiles, and space vehicle engines and parts, ships and tank components, railroad equipment, and search and navigation equipment.

Defense capital goods include : ordnance, communication equipment, aircraft, missiles, space vehicles, and parts, ships, tanks and tank components, search and navigation equipment.

Table 2. AVERAGE REVISIONS TO PREVIOUSLY PUBLISHED MONTHLY PERCENT CHANGES
(Based on seasonally adjusted data)

Industry	Shipments			New Orders			Unfilled Orders		
	Year ago July 1998	July 1994-1998	July 1998- June 1999	Year ago July 1998	July 1994-1998	July 1998- June 1999	Year ago July 1998	July 1994-1998	July 1998- June 1999
Durable goods	0.4	0.3	0.5	0.5	0.4	2.2	0.4	0.1	0.5
Primary metals	0.3	0.3	1.0	1.1	0.4	2.3	0.3	0.3	0.8
Industrial machinery and equipment	0.2	0.7	1.0	0.3	0.7	1.8	0.0	0.1	0.8
Electronic and other electrical equipment	0.0	0.5	1.1	3.0	1.3	3.8	1.7	0.5	1.1
Transportation equipment	1.7	0.9	1.7	0.8	0.9	6.5	0.1	0.1	0.6
Nondefense capital goods	0.3	0.6	1.4	0.6	0.6	3.9	0.1	0.1	0.4
Defense capital goods	0.5	0.8	2.3	2.1	3.5	24.1	0.2	0.3	1.0

Note : The revisions are the differences between the month-to-month percent changes of the advance and final estimates. The monthly averages are the simple averages of the differences, without regard to sign, for the months specified.